

What is a High Deductible Health Plan (HDHP)?

An HDHP is a health insurance plan with a minimum deductible of \$1,000 (self-only coverage) or \$2,000 (family coverage). The annual out-of-pocket (including deductibles and co-pays) cannot exceed \$5,000 (self-only coverage) or \$10,000 (family coverage). HDHPs can have first dollar coverage (no deductible) for preventive care and higher out-of-pocket (co-pays and co-insurance) for non-network services.

How Much Can I Contribute to a Health Savings Account?

The maximum contribution is the lesser of the deductible amount under the HDHP or (for 2005) \$2,650 for individuals or \$5,250 for family coverage. These dollar limits will be adjusted for inflation each year. *If you are age 55 or older, ask us about catch-up provisions.*

Please consult your insurance professional to determine your maximum annual contribution. Tower Bank does not sell insurance or give advice on insurance plan coverage. Consult your tax advisor for details.



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